5416C-3

CURRENT MINNESOTA LABOR MARKET CONDITIONS

April, 1985, Supplement to The Review of Labor and Economic Conditions
Prepared by the Research and Statistical Services Office, MN Dept. of Economic Security, 390 N. Robert St., St. Paul MN 55101, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, and Employment and Training Admin.

Nation

According to a majority of the economic barometers, the Nation's economy appeared to be growing at a slower rate in March and the first quarter. However, some analysts believe that the slowdown is due to temporary conditions and expect stronger growth in the second quarter.

Although the seasonally adjusted unemployment rate remained at 7.3 percent in March, close to the level of the past several months, labor market conditions generally improved in March. Seasonally adjusted total employment rose by a steep 434,000 in March after smaller gains in earlier months while seasonally adjusted nonfarm payroll employment climbed by a strong 381,000 in March, the largest monthly increase since April 1984. Except for employment in construction which jumped by 129,000 in March, the March rise in payroll employment was exclusively in the service-producing industries, especially in retail trade and services. Meanwhile, employment in manufacturing, which has been hit hard by imports fell by 26,000 in March after a decline of 69,000 in February and has grown little since last summer.

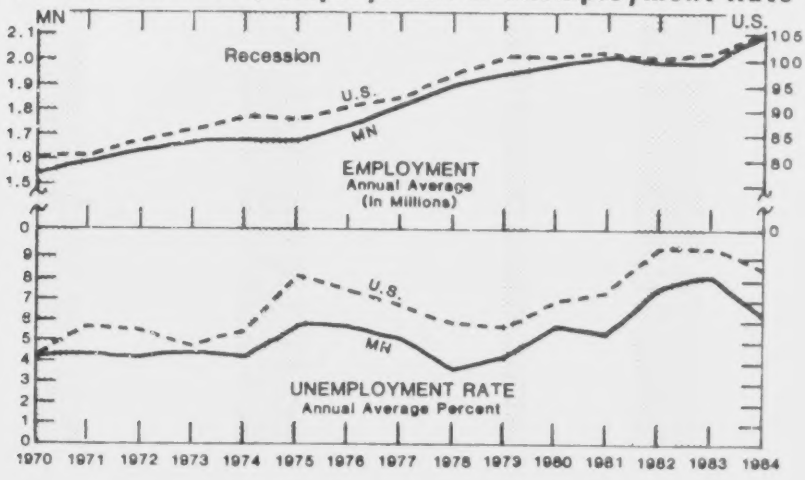
Except for industrial production whose growth has been restrained by imports, the weak performances in other indicators were believed to be due to temporary factors. The declines in retail sales and consumer expenditures and the slow growth in personal income were attributed partly to delays in income tax refunds. Also, the very small growth in real gross national product (GNP) was partially caused by the delays in refunds, the large change in the trade deficit, and the large rise in the GNP price deflator.

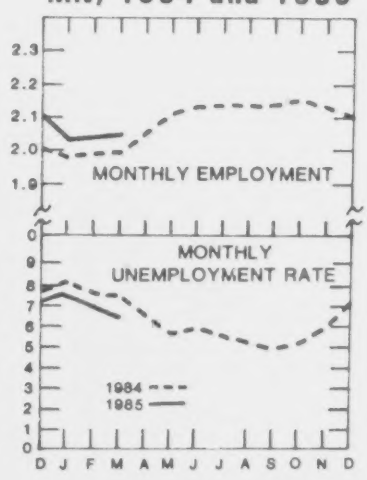
State

A mixture of developments in March made it difficult to assess the strength and direction of the Minnesota economy. Although the seasonally adjusted unemployment rate fell for the third straight month, both seasonally adjusted total employment and nonfarm payroll employment barely rose in March after rather small gains in February.

Minnesota's seasonally adjusted unemployment rate fell 0.3 of a point to 5.6 percent in March following declines of 0.5 in February and 0.2 in January. On the other hand, seasonally adjusted total employment rose by only 1,800 in March after a small increase of 4,200 in February and a drop of 23,300 in January. Also, seasonally adjusted nonfarm payroll employment climbed by a meager 1,476 in March following rises of 4,687 in February and 7,092 in January. Seasonally adjusted over-the-month increases of 1,400 in mining and 1,200 in trade were partially offset by declines of 1,300 in manufacturing and 900 in government. Employment in manufacturing in March was close to the level it was at in November. Although employment in mining rose substantially in both March and February, it was still far below the 1979 peak. On an over-the-year basis, employment and payroll employment showed gains of 59,200 and 84,500, respectively. The trade and services industries continued to account for more than three-fifths of the over-the-year gains in payroll employment.

Labor Force Estimates	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	March 1985	Change From Last Mo.	Change From Year Ago	March 1985	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2195.3	0.0	37.3	114.4	0.8	2.6
Employed	2052.2	9.5	57.3	105.8	1.1	3.0
Unemployed	143.1	-9.5	-20.0	8.6	-0.3	-0.4
Unemployment Rate						
Actual	6.5	-0.5	-1.1	7.5	-0.3	-0.6
Seasonally Adjusted	5.6	-0.3	-0.8	7.3	0.0	-0.5





Minnesota Nonagricultural Wage & Salary Employment, Hours, and Earnings

INDUSTRY	EMPLOYMENT[1] (thousands)			PER CENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Mar. 1985	Feb. 1985	Mar. 1984	Feb. 1985	Mar. 1984	Mar. 1985	Feb. 1985	Mar. 1985	Feb. 1985	Mar. 1985	Feb. 1985
TOTAL NONAGRICULTURAL	1839.7	1832.9	1759.8	0.4	4.5						
MANUFACTURING	374.8	374.9	360.7	0.0	3.9	399.40	399.20	10.01	9.98	39.9	40.0
Durable Goods	227.0	227.0	218.0	0.0	4.2	413.50	410.66	10.11	10.09	40.9	40.7
Furniture, Lumber and Wood	16.5	16.0	15.6	3.1	5.5	408.43	400.34	10.72	10.48	38.1	38.2
Stone, Clay and Glass	7.6	7.5	7.5	1.2	0.5	360.06	362.76	10.20	10.19	35.3	35.6
Primary Metals	6.0	5.9	6.0	1.3	-0.3	389.48	371.97	9.34	9.23	41.7	40.3
Fabricated Metals	35.3	35.4	34.3	-0.2	2.8	448.78	452.19	10.84	10.87	41.4	41.6
Nonelectrical Machinery	95.2	95.8	88.6	-0.7	7.4	446.05	445.21	10.52	10.55	42.4	42.2
Electrical Machinery	27.5	27.5	26.6	-0.3	3.1	322.36	315.59	8.12	8.01	39.7	39.4
Transportation Equipment	6.9	6.7	6.7	4.0	3.4	504.32	499.10	11.41	11.58	44.2	43.1
Other Durable Goods [2]	32.1	32.2	32.5	-0.2	-1.1	390.02	389.21	9.63	9.61	40.5	40.5
Nondurable Goods	147.7	147.9	142.8	-0.1	3.5	380.21	383.37	9.85	9.83	38.6	39.0
Food and Kindred	44.0	44.6	43.4	-1.2	1.3	325.76	329.48	8.55	8.47	38.1	38.9
Textile and Apparel	4.6	4.6	5.1	1.1	-8.7	219.45	225.98	6.27	6.33	35.0	35.7
Paper and Allied	33.6	33.6	33.0	0.1	1.9	489.10	493.73	11.59	11.59	42.2	42.6
Printing and Publishing	41.7	41.2	38.5	1.3	8.4	383.69	383.72	10.57	10.60	36.3	36.2
Chemical and Petroleum	10.0	10.0	9.5	0.3	4.8	433.92	446.42	10.93	11.05	39.7	40.4
Rubber and Leather	13.8	14.0	13.2	-1.8	3.9	323.26	324.53	8.31	8.30	38.9	39.1
NONMANUFACTURING	1465.0	1458.0	1399.1	0.5	4.7						
Mining and Quarrying	8.3	7.0	9.7	19.3	-14.4	522.57	524.80	13.13	13.12	39.8	40.0
Metal Mining	6.9	5.7	8.3	21.2	-17.8	544.90	550.24	13.76	13.93	39.6	39.5
Construction	59.1	58.2	50.7	1.6	16.8	589.94	586.27	15.69	15.76	37.6	37.2
Building	17.3	17.2	15.7	0.6	10.4	531.00	535.04	14.75	14.78	36.0	36.2
Highway and Heavy	5.9	5.3	5.1	10.8	15.0	510.87	495.36	12.74	12.90	40.1	38.4
Special Trades	36.0	35.7	29.9	0.7	20.4	634.37	627.17	16.65	16.68	38.1	37.6
Transportation	62.3	62.0	61.2	0.4	1.8						
Railroads	9.5	9.5	10.4	0.0	-8.2						
Trucking and Warehousing	25.9	25.9	24.5	-0.1	5.9	408.52	391.00	11.54	11.50	35.4	34.0
Public Utilities	34.5	34.5	34.4	-0.1	0.3	527.01	527.17	13.41	13.38	39.3	39.4
Communications	20.0	20.0	20.2	0.2	-0.8	474.14	474.14	12.22	12.22	38.8	38.8
Elec., Gas and Sanitary	14.5	14.6	14.2	-0.5	2.0	589.72	590.54	14.78	14.69	39.9	40.2
Trade	461.9	457.9	434.4	0.9	6.3	221.38	221.25	7.53	7.50	29.4	29.5
Retail	345.1	341.5	322.3	1.0	7.1	177.78	177.89	6.56	6.54	27.1	27.2
General Merchandise	49.7	49.7	44.9	-0.1	10.8	169.10	167.50	6.24	6.25	27.1	26.8
Food Stores	45.6	45.5	44.8	0.2	1.7	196.83	196.08	7.21	7.13	27.3	27.5
Automotive	37.8	37.2	35.5	1.5	6.4	315.06	315.40	8.90	8.81	35.4	35.8
Eating and Drinking	118.8	116.3	107.8	2.2	10.2	104.64	104.87	4.63	4.62	22.6	22.7
Wholesale	116.9	116.4	112.1	0.4	4.3	371.51	369.27	9.96	9.90	37.3	37.3
F.I.R.E.	107.9	107.4	104.2	0.5	3.5						
Finance	50.5	50.4	49.8	0.2	1.4						
Insurance	39.3	39.2	37.0	0.1	6.1						
Real Estate	18.1	17.8	17.4	2.0	4.1						
Service Industries	429.6	428.0	405.2	0.4	6.0						
Hotel and Lodging	21.6	21.4	19.7	0.9	9.8						
Business Services	78.8	78.3	69.7	0.7	13.2						
Health Services	136.8	136.7	133.5	0.1	2.5						
Private Education	24.8	24.8	24.9	-0.1	-0.6						
Soc. Serv., Museums etc.	92.4	92.0	86.8	0.4	6.4						
Government	301.3	303.0	299.4	-0.6	0.6						
Federal	30.9	30.8	30.2	0.3	2.5						
State	75.6	77.2	75.4	-2.2	0.2						
Local	194.8	195.0	193.7	-0.1	0.5						

[1] Totals may not add because of rounding.
[2] Includes Scientific Instruments and Miscellaneous Industries.

Labor Force Data: State, SMSAs, and Counties

Area or County	March 1985, Prelim.		
	Labor Force[1/]	Unemp.	Un. Rate
State of Minnesota	2195338	143128	6.5
Metropolitan Areas			
Duluth/Superior (Duluth City Only)	33907	2944	8.7
Fargo/Moorhead (Clay County, MN Only)	28456	1747	6.1
Minneapolis/St. Paul SMSA[2/]	1237619	56865	4.6
Rochester SMSA[3/] (Olmsted Co.)	61833	2735	4.4
St. Cloud SMSA[3/]	80805	7313	9.1
Counties			
Aitkin	5247	1164	22.2
Anoka	118313	6111	5.2
Becker	11939	1917	16.1
Beltrami	16139	1497	9.3
Benton	12502	1137	9.1
Big Stone	3681	279	7.6
Blue Earth	27802	1562	5.6
Brown	14484	1153	8.0
Carlton	11375	1352	11.9
Carver	22124	1046	4.7
Cass	9763	1197	12.3
Chippewa	7210	709	9.8
Chisago	16017	1277	8.0
Clay	28456	1747	6.1
Clearwater	4074	1006	24.7
Cook	2127	258	12.1
Cottonwood	7078	493	7.0
Crow Wing	17410	2030	11.7
Dakota	118387	5867	5.0
Dodge	8209	791	9.6
Douglas	13399	1222	9.1
Faribault	10201	784	7.7
Fillmore	12226	1136	9.3
Freeborn	18816	1439	7.6
Goodhue	20310	1408	6.9
Grant	3235	312	9.6
Hennepin	548473	21862	4.0
Houston	9994	709	7.1
Hubbard	5415	775	14.3
Isanti	14322	1148	8.0
Itasca	16914	2258	13.3
Jackson	7699	434	5.6
Kanabec	5545	795	14.3
Kandiyohi	17932	1399	7.8
Kittson	3242	332	10.2
Koochiching	7854	1257	16.0
Lac qui Parle	5605	444	7.9

Area or County	March 1985, Prelim.		
	Labor Force[1/]	Unemp.	Un. Rate
Lake	4457	553	12.4
Lake of the Woods	1723	179	10.4
Le Sueur	11089	1275	11.5
Lincoln	3608	312	8.6
Lyon	15125	986	6.5
McLeod	16414	1126	6.9
Mahnomen	2744	335	12.2
Marshall	5877	964	16.4
Martin	13584	887	6.5
Meeker	9958	948	9.5
Mille Lacs	9144	958	10.5
Morrison	12817	1726	13.5
Mower	17987	1205	6.7
Murray	5710	579	10.1
Nicollet	14677	855	5.8
Nobles	11397	814	7.1
Norman	4504	429	9.5
Olmsted	61833	2735	4.4
Otter Tail	23755	2785	11.7
Pennington	5968	610	10.2
Pine	9506	1262	13.3
Pipestone	5490	295	5.4
Polk	16804	1643	9.8
Pope	5147	447	8.7
Ramsey	268167	11826	4.4
Red Lake	2121	334	15.7
Redwood	9930	696	7.0
Renville	11027	1183	10.7
Rice	22981	1766	7.7
Rock	5370	242	4.5
Roseau	6082	690	11.3
St. Louis (Inc. Duluth)	84186	8963	10.6
Scott	26981	1824	6.8
Sherburne	15248	1403	9.2
Sibley	8113	780	9.6
Stearns	53055	4773	9.0
Steele	16137	993	6.2
Stevens	5650	413	7.3
Swift	6160	629	10.2
Todd	10851	1028	9.5
Traverse	2598	204	7.9
Wabasha	9350	905	9.7
Wadena	5329	551	10.3
Waseca	8729	623	7.1
Washington	68621	3080	4.5
Watonwan	6389	427	6.7
Wilkin	4086	343	8.4
Winona	21925	1783	8.1
Wright	36214	2824	7.8
Yellow Medicine	7201	630	8.7

Technical Notes:

1/ Labor force data is computed according to BLS methodology. The method includes an adjustment to assure that the sum of the substate areas equals the separately estimated State total. This adjustment is Applied to all county and SMSA areas. County and area unemployment was multiplied by an adjustment factor of 1.30; employment was multiplied by 1.01. For a more detailed explanation see the Review of Labor and Economic Conditions, Vol. 4, No. 4, (February 1978 issue), p. 29.

2/ Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington, and Wright Counties.

3/ Benton, Sherburne, and Stearns Counties.

Selected Minnesota Program Statistics

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

The total number of claimants for unemployment benefits fell by 4,386 or 6.8 percent in March as claimants dropped in every industry division except manufacturing and finance, insurance and real estate. Also, the over-the-month declines in total claimants and in most of the industries which dropped in March were steeper than is normal for March. However, claimants in manufacturing which usually fall in March rose somewhat in March most likely as a result of the plant closings in recent months. Over-the-year, the total number of claimants rose by 7,801 or 14.9 percent. The over-the-year increase in March was the fourth in a row. Claimants in manufacturing were up significantly from a year ago both in numerical and percentage terms.

Table 1. Distribution of Insured Unemployed, By Age and Sex, March 1985

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men.	Women of Women
TOTALS	60047	79.0	100.0	100.0
Under 45	46242	79.7	77.7	74.4
Under 25	10991	79.5	18.4	17.9
25-34	22940	80.9	39.1	34.8
35-44	12311	77.7	20.2	21.7
45 and Over	13805	76.5	22.3	25.6
45-54	7846	76.8	12.7	14.4
55 and Over	5959	76.2	9.6	11.2

Table 2. Distribution of Insured Unemployed By Industry and Occupation, March 1985

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term 1/ Unemployed	Women as Percent of Total
Total, All Industries	60047	100.0	24.0	21.1
Ag., For., Fish.	1622	2.7	41.1	7.8
Mining	1658	2.8	48.7	5.8
Construction	20741	34.5	23.2	2.5
Manufacturing	15743	26.2	20.1	32.2
Pub. Utilities	2821	4.7	20.6	12.0
Wholesale Trade	3597	6.0	25.5	21.4
Retail Trade	5131	8.6	23.1	36.6
Fin., Ins., Real Est.	1139	1.9	32.3	53.0
Services	5894	9.8	26.0	48.6
Public Admin.	1026	1.7	32.4	25.6
Inf. Not Available	675	1.1	3.9	23.7
Total, All Occupations	60047	100.0	24.0	21.1
Prof., Tech., Mgr.	4767	7.9	26.9	35.9
Clerical	3864	6.4	25.8	78.8
Sales	1634	2.7	26.8	31.3
Services	2896	4.8	27.2	54.9
Farm., For., Fish.	1433	2.4	42.2	9.6
Processing	2716	4.5	12.2	40.4
Machine Trades	3572	6.0	23.0	13.2
Benchwork	5150	8.6	22.5	49.5
Structural Work	22232	37.0	22.1	1.7
Misc.	11419	19.0	26.3	9.7
Inf. Not Available	364	0.7	16.2	29.7

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and Managerial jobs are least likely to use the J.S., whereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand 1/

Occupation	Applicants (Supply) March 1985	Job Openings (Demand) March 1985	Supply/Demand Ratio	
			March 1985	March 1984
Total	128053	11899	10.8	8.8
Prof., Tech., Mgr.	14039	1580	8.9	8.9
Clerical	21254	2610	8.1	6.9
Sales	5842	1372	4.3	3.3
Dom. Services	1964	146	13.5	10.2
Other Services	21009	3417	6.1	6.9
Farm., Fish., For.	3147	120	26.2	17.6
Processing	2510	292	8.6	5.7
Machine Trades	8580	476	18.0	10.7
Benchwork	9261	697	13.3	11.3
Structural Work	18287	372	49.2	23.9
Mtr. Frght., Trans.	5751	338	17.0	14.7
Pkg. & Mat. Hndlg.	15118	421	35.9	9.5
Other	1291	58	22.3	24.3

1/ Inexperienced and improperly coded job applicants are not included in this table.